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I. INTRODUCTION

1. The second regional cooperation framework for the Asia and Pacific region (RCF), 2002-2006, is the product of extensive consultations held throughout the region, which began with the mid-term review of the first RCF in October 1999. Subregional cluster meetings held with resident representatives, regional organizations such as the Economic and Social Commission for Asia and the Pacific (ESCAP) and Association of South- East Asian Nations (ASEAN) and United Nations specialized agencies, funds and programmes in October 2000 culminated in a concept paper in January 2001. The second RCF also includes lessons learned from more than forty programme evaluations (1997-2000), best practices synthesized from 10 major programmes, and the mid-term review.

2. Greater involvement and ownership by national partners in the region formed the basis for the design of the second RCF: ideas and feedback were elicited from January to May 2001 through national and sub-regional consultations with relevant government counterparts, United Nations country teams, civil society groups and country office focal points. The draft concept paper was also presented for comment during the Asian Development Bank (AsDB) Annual Poverty Forum in February, as well as during subsequent inter-agency discussions with ESCAP. Formal and informal discussions were also held with ASEAN, South Asian Association for Regional Cooperation (SAARC), the Economic Cooperation Organization (ECO) and the South Pacific Regional Environmental Programme (SPREP). A penultimate draft was distributed for discussion at the UNDP Regional Resident Representatives Meeting in April, the ESCAP Ministerial Meeting in April and the AsDB annual sessions in May. The concept paper and the RCF were then further honed to reflect the emerging exigencies and issues of concern in the region.

3. The regional cooperation framework should be viewed as part of a broader agenda for regional cooperation being pursued by countries in the Asia and Pacific region as well as by other parts of the United Nations system. In particular, the emphasis on consultative activities with ESCAP and subregional intergovernmental groupings is an intensive effort to renew complementary relationships to identify and implement opportunities for intercountry cooperation. Similarly, UNDP seeks through the RCF to foster closer relationships with AsDB to help to achieve common development objectives in the region.

4. In responding to the United Nations Millennium Declaration commitment to halve the proportion of people living in extreme poverty by 2015, the RCF parallels the overarching objective of the second global cooperation framework (GCF) (DP/GCF/2). It will thus support and help to implement the re-affirmed corporate mandate for poverty reduction through supporting the provision of regional public goods, minimizing cross-border externalities and spillovers and promoting regional advocacy. The RCF will cover three thematic areas: a) democratic governance for human development; b) globalization and economic governance; and c) sustainable development. The expected outcomes defined in the three areas are oriented towards this overall objective of poverty reduction and sustainable human development.

5. The cross- cutting areas of gender and development and information and communication technologies (ICTs) for development will be threaded throughout the thematic areas. The development dimension of crisis prevention and recovery will also be focused on where applicable and when addressing emerging issues during the RCF period.

6. The programme portfolio will be more focused than that of the first RCF, concentrating on 20- 25 core projects.

7. Management, monitoring and reporting guidelines have been further strengthened for this programming period, with greater emphasis on assessing impact and results.

II. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

8. Countries in the region are clearly committed to the implementation of decisions and recommendations emanating from the global summits held during the 1990s. The thematic areas and programme of the first RCF were framed in part by the commitments made by Governments with respect to the United Nations Conference on Environment and Development (UNCED), the International Conference on Population and Development (ICPD), the World Summit for Social Development (WSSD), the Fourth World Conference on Women and Habitat II. These conferences continue to

have a major influence on national development agendas and on priorities for the second RCF, especially in the context of follow-up conferences such as Beijing + 5 and WSSD + 5, scheduled for 2002. The targets set by these conferences were re-affirmed and synthesized in the development goals of the Millennium Declaration, which underpin the overarching goals of the RCF.

9. The financial crisis which engulfed the Asia and Pacific region in 1997-1998, has given way to renewed optimism about prospects for longer-term economic growth. A majority of countries supported by UNDP in the region are now embracing and promoting, in some form, principles and institutions of democracy and are increasingly acknowledging their human rights obligations and responsibilities. The trend towards the adoption of market-oriented economies in the past decade has culminated in almost all countries being now more integrated into the global economy while the region has also emerged as a reservoir for intellectual and technical resources and expertise, especially in areas such as ICTs.

10. Within this environment of greater globalization and emerging democratization, political instability, civil unrest and ethnic and religious tensions within and between countries in the region has increased over the past decade, bringing to the fore the critical nexus between peace and development. In addition to increasing insecurity and vulnerability for millions, such conflicts divert valuable resources and negatively impact governmental efforts to facilitate further progress in the areas of democratic governance and economic and human development. Furthermore, the economic dynamism of recent years has yet to result in noticeable advances in human development. Poverty reduction remains a profound challenge and, despite continued economic growth, 800 million people remain in abject poverty, a figure virtually unchanged from a decade ago. Women in the region suffer the effects of poverty in much higher numbers than their male counterparts and continue to face discrimination in many forms. Rates of HIV/AIDS infections continue to grow: the entire region is estimated to have 6.4 million people living with HIV/AIDS and nearly half a million people died in 2000 from HIV-related causes. According to the United Nations Joint Programme on HIV/ AIDS (UNAIDS), 10 countries in the region have national prevalence rates of 0.10 or higher, presenting enormous development impediments.

11. Beyond its staggering human and social costs, poverty is also a significant obstacle to sustainable development policies and practices. Rapid population growth and policies that continue to prevent the poor from accessing and utilizing productive assets and resources have intensified pressures on the environment and natural resource base in the region and its management. The availability of resources such as water and energy, the demands placed on them, their links to poverty and the need for effective policy responses have emerged as a critical challenge in the region. In this context, vulnerability reduction and adaptation to natural disasters have also surfaced as key issues requiring cross-border cooperation among countries in the region.

12. The second RCF will be implemented at a time of great change against a backdrop of both increased democratization and the phenomenon of globalization. These trends have already created a major impact on the lives of people in the region and conditioned their demands on, and relationships with government, the private sector and civil society. In the face of continuing development challenges, these dynamic changes provide both opportunities and potential obstacles to the achievement of poverty reduction and human development goals. Building on the successes and lessons learned from the first RCF, it is therefore imperative that the second RCF work to assist Governments to cope with and manage such transformations in order to preserve hard-won development gains and sustain promising national development trajectories over the next few years.

13. UNDP will confront these challenges through the second RCF by providing region-wide trend and policy analysis, generating innovative tools and approaches to emerging development problems, advocating and raising awareness, training and building capacity where required, and facilitating exchange of experiences of good development practice through regional knowledge networks in these given areas.

III. RESULTS AND LESSONS OF PAST INTERCOUNTRY COOPERATION

14. Based on the findings of the mid-term review of the first RCF, over 40 regional programme evaluation reports and extensive consultations in the region, several key findings and recommendations have emerged regarding regional cooperation in the Asia and Pacific region and have served as lessons for the formulation of second RCF. It has been noted that the first RCF was largely successful in the following:

(a) Promoting regional integration, agreements and standards by providing a non-political forum for countries to discuss and negotiate cross-border issues and regional agreements and standards, as well as adherence to international commitments and conventions. The Tumen River Area Development Programme and the Mekong River Commission are particularly successful examples of this regional dividend;

(b) By introducing specific integrated strategies and policy options, regional programmes such as the South Asia Poverty Alleviation Programme (SAPAP), the HIV/AIDS initiative and the Urban Governance Initiatives (TUGI) have made a valuable contribution to enhancing the responsiveness and sensitivity of national policies and practices by demonstrating innovative strategies, partnerships and actions;

(c) By fostering alliances, networking and institution- building, regional programmes have played a crucial role in encouraging dialogue among State and non-State institutions in the region, supporting capacity in regional institutions and enabling these institutions to play a more proactive role in promoting greater regional integration and South-South cooperation. A notable example has been regional support for the development of national and subregional human development reports. Regional institutions have also been a major beneficiary of capacity-building support, enabling them to play a more proactive role in promoting greater regional and South-South cooperation.

15. Particular effort will be made through the second RCF to address three specific concerns raised during consultations, reviews and evaluations of programmes:

(a) Ensuring greater ownership. Over and above a systematic consultation process, as evidenced in the formulation stage of the RCF, ownership in this programming period will be strengthened through the focused mapping of country cooperation frameworks (CCFs) with the RCF, where applicable, with a view to building special issue-based national constituencies around each regional programme. This exercise has already begun in the region. Intercountry programme advisory groups are also expected to help to achieve this goal (see paragraph 40);

(b) Cementing strategic partnerships. Efforts here will build on the success achieved in the previous RCF in convening a greater diversification of partners, especially from civil society, academia and policy institutes and the private sector. Partnership strategies will also centre on sharing expertise and learning, emphasizing South-South cooperation, within and beyond the region. Partners must have demonstrated capacity to contribute to international and/or national policy-making. They will be targeted on the basis of their convening power, technical expertise, resource leveraging capacities and advocacy strengths. Such criteria are crucial for common advocacy of development targets and strategies and sustainability of joint efforts;

(c) Ensuring greater impact assessment. Strategies to ensure greater impact are directly related to the UNDP goal of repositioning itself as an organization providing cutting-edge ideas and solutions to support national development priorities. In this respect, in addition to explicit communications and advocacy strategies built into respective programmes, better results-based strategies and management guidelines are also being emphasized to further strengthen programme formulation and implementation. These include, overall concept and design, coordination with stakeholders, project monitoring and appraisal and results-reporting and communication of impact. Emphasis will be placed on ensuring greater beneficiary and stakeholder participation in monitoring and review processes.

IV. PROPOSED STRATEGY AND THEMATIC AREAS

16. The second RCF is designed to parallel and complement the GCF in targeting poverty reduction as its overarching objective in response to the Millennium Declaration. Developed in close cooperation with the GCF policy teams, the RCF will support global commitments and the UNDP mandate for poverty reduction through the three interrelated thematic programme areas of: a) democratic governance for human development, aimed at enhancing political, economic and social frameworks for poverty reduction; b) sustainable development, which addresses the poverty-environment nexus and effective governance of trans-boundary natural resources; and c) globalization and economic governance, intended to promote a more equitable era of globalization through the prioritizing of pro-poor policies and sustainable human development.

17. A regional public-goods perspective along the lines of that in the GCF, is also a basic element of the RCF, in response to the reality that many of today's global and regional development challenges require some policy convergence and common institutions to manage and implement the needed responses. Such an approach recognizes that, in an increasingly globalized world, public policy that addresses national issues also requires assessments and analyses that are intercountry or multi-country in reach and impact. Assessing regional cooperation through a public goods framework that seeks to minimize negative transboundary externalities or secure positive spillovers allows developing nations to focus efforts on working cooperatively on cross-border concerns such as HIV/AIDS and disaster and environmental management. It also affords the opportunity for nations in the region to advocate collectively for public goods such as equitable and transparent trade regimes and international financial institutions, as well as enhanced sustainable development and poverty eradication. It is expected that this strategic lens, through regional alliances and cooperation on issues that require a common understanding and approach, will serve to enhance predictability in relations between nations and their cross-border activities and reduce risks of conflict, as well as transactions costs, thereby improving efficiency and the optimal allocation of resources to further the causes of national development strategies.

18. The RCF is intended to add value to national priorities and programmes of action in the given thematic programme areas. The three themes reflect the extensive consultations held in the region and correspond closely to national priorities while addressing both continuing and more recently emerging development challenges facing the region. The proposed programme areas therefore do not encompass the full gamut of development concerns but emphasize those that evidence a close mapping of current regional development priorities with the needs expressed, UNDP comparative advantages, lessons learned and long experience in promoting regional cooperation in the Asia and Pacific region.

19. The RCF will further emphasize and draw on the rich, diverse intellectual and technical resources in the region to complement and extend regional partnerships to support the regional and global commitments made by countries of the region. Important players in the implementation of the RCF include a range of intergovernmental, non-governmental, academic and policy institutions of the region.

20. A detailed results-based approach has been developed for second RCF. Programme design in the thematic areas will emphasize UNDP's focus on policy advocacy, knowledge-sharing and networking, drawing on the subregional resource facility (SURF) system, among others, and institutional capacity development. The analysis of the Annual Regional Programme ROAR for 2000 provided a solid basis for this orientation and subsequent substantive programme revisions, and new programme formulation will be guided by the revised regional programme strategic results framework (SRF).

THEME I: DEMOCRATIC GOVERNANCE FOR HUMAN DEVELOPMENT

21. **Rights-based development:** Factors such as low levels of inclusion and participation in the public policy-making process and poor transparency, accountability and responsiveness of governance institutions severely limit economic potential and negatively condition human development. Equitable and efficient governance, in turn, both demands and safeguards the process of a rights-based approach to development that emphasizes participation, equity and non-discrimination. In building on the positive trends of democratization and good governance principles being advocated for in the region in the area of human rights for development, expected aggregated results will include: (a) human rights knowledge and analytical skills strengthened through training in governing institutions, media and civil society organizations; (b) rights-based approaches, tools and methodologies, selectively integrated into national development strategies and programmes; (c) multi-country human rights for development situational analyses completed; and (d) governance and human rights institutions in the region networked for cross- country exchange and learning of good practices.

22. **Gender equality:** Despite making gains following the Fourth World Conference on Women, women in the region continue to be exploited, marginalized, and prevented from enjoying their universal human rights. Globalization, while increasing opportunities and access to employment for many women, has also increased their vulnerability and exacerbated gender inequalities in the region. In light of the above, in the area of gender equality expected aggregated results are: (a) strengthened capacities to assess gaps and monitor the progress of implementing the Convention to Eliminate All Forms of Discrimination Against Women (CEDAW) with respect

to issues of non-discrimination, adequate remuneration and favorable conditions of work; (b) gender mainstreaming operationalized in national plans of action; (c) policy convergence and cooperation for the prevention of trafficking of women and children; and (d) training women for greater leadership roles in government and the private sector.

23. **Urban and local governance:** Forty-three per cent of the population of the region live in urban areas, with 33 Asian cities expected to have populations of more than five million in this century. These trends require effective policy responses based on enabling democratic and administrative decentralization, effective and accessible public services and community empowerment to achieve good urban governance that enhances the quality of life for the urban poor. With this in mind, the following aggregated results will be sought in the second RCF: (a) urban environment-poverty links addressed in urban management; (b) capacity building modules for translating policy strategies for participatory urban and local governance; (c) ICT action plans formulated and applied to urban development planning; (d) development of tools and methodologies and advocacy for mainstreaming pro-poor priorities into urban development policy; and (e) empirical assessments of poverty eradication-decentralization links fed into policy strategies.

24. **HIV/AIDS and development:** Given the rapid spread of HIV/AIDS and the economic, political and human devastation caused by the disease, its prevention and consequences have to be addressed through a multisectoral approach. In this area, the second RCF focuses on issues of stigma and discrimination, cross-country mobile populations, gender and HIV and socio- economic impact on given population groups and planning processes. Expected aggregated results include: (a) cross-country exchanges on strategies and plans to reduce stigma and change behaviour to minimize the spread of HIV/AIDS; (b) development of tools and approaches for multisectoral HIV impact analysis; (c) Policy strategies to mitigate HIV/AIDS vulnerability with respect to mobility, migration and trafficking; and (d) awareness of the gender impact of HIV raised among policy-makers and addressed in development policy.

25. **Partnerships and development cooperation:** The continued support from donor countries such as Australia, New Zealand, Norway, and the United Kingdom, as well as AsDB will be integral to achieving the expected outcomes in this thematic area. Strategic partnerships for each focus area are envisioned with the following: rights-based development: Inter-Parliamentary Union (IPU), National Human Rights Commissions, the Office of the United Nations High Commissioner for Human Rights (OHCHR), United Nations Development Fund for Women (UNIFEM), regional media associations, non-governmental and civil society organizations, and academic and policy institutes; gender equality: the Division for Advancement of Women of the United Nations (DAW), UNAIDS, UNIFEM, regional media associations, non-governmental and civil society organizations; urban and local governance: ASEAN, ESCAP, the Global Environment Facility (GEF), Public-private Partnerships for the Urban Environment (PPPUE), SAARC, the United Nations Centre for Human Settlements (UNCHS), the United Nations Volunteers (UNV), Urban Policy Institutes, the World Health Organization (WHO), city/local government institutions and non-governmental and civil society organizations; HIV/AIDS and development: UNAIDS, UNIFEM, WHO, regional media associations, non-governmental and civil society organizations, and academic and policy institutes. Linkages will be established with the UNDP global programme on human rights strengthening (HURIST), local initiative facility for urban environment (LIFE), programme for accountability and transparency (PACT), and the urban management programme (UMP). Cross- regional programme synergies will also be established where applicable, including ICTs and governance on e-governance, urban governance and HIV/AIDS on urban vulnerability, and gender with governance and human rights for development, among the different regional programmes.

THEME II: SUSTAINABLE DEVELOPMENT

26. Given the current and emerging regional priorities in this field, two broad areas will command priority attention: (a) facilitating regional policy dialogue aimed at developing a common regional framework for sustainable development, to support both input to the World Summit for Sustainable Development (WSSD) and its subsequent follow-up and (b) environmental governance and management with respect to both supporting enhanced capacity for sustainable resource-sharing in common basin eco-systems and vulnerability reduction and adaptation in the context of climate change, especially in relation to water resources. In both these issue areas, grounding the environmental-poverty nexus in regional policy dialogue, including the assessment of energy conservation and management for sustainable development, where appropriate, will be the underpinning factor of UNDP support

27. Expected aggregated results in the given areas will include: (a) strengthened capacities for the implementation of international conventions with respect to relevant sustainable development provisions; (b) improved regional capacity to coordinate and harmonize national policies for managing shared river-basin resources; (c) environment-poverty analysis and impact conducted and fed into sustainable development policies; (d) adoption of common disaster-management standards and strategies, including preparedness and emergency response mechanisms around subregional deltas; and (e) vulnerability and risk assessments incorporated into transboundary environmental policies.

28. **Partnerships and development cooperation**: Strategic partners within this thematic area will include: AsDB, ESCAP, the Government of Japan, the Mekong River Commission (MRC), Montreal Protocol, the Tumen Secretariat, the United Nations Department for Economic and Social Affairs (UNDESA), UNDP's Emergency Response Division (ERD), the United Nations Environment Programme (UNEP) and regional disaster-management groups and policy institutions. Existing linkages with the GEF will be strengthened and expanded to the extent possible. Activities will also be complemented by other global and national initiatives dealing with issues of bio-diversity, coastal zone management and international waters. These include the Tumen River Area Development Programme on environment and tourism, the Pacific energy and environment efforts and ECO initiatives on drought and desertification. Partnerships with NGOs and institutions in the region, including the Centre for Energy-Environment Research and Development (CEERD), will be also be key to achieving expected outcomes. Cross-regional programme synergies will be captured through linkages with the poverty programme, urban and local governance programmes and regional human development reports, among others.

THEME III: GLOBALIZATION AND ECONOMIC GOVERNANCE

29. **Trade analysis and regional trade agreements:** Perceived inequities in the governance of the international multilateral trading system are a source of considerable controversy between developed and developing countries today. In order to enhance human development, efforts are needed to promote a more open and balanced global trading regime that allows for the equitable distribution of gains from free trade, especially in the context of poverty-reduction goals and targets with respect to the Millennium Summit. This implies building countries' capacities within the region to capture better and articulate individual and common positions vis-a-vis regional and global trade agreements and systems. Expected aggregate results include: (a) multi-actor perspectives on regional and global trade issues collated for greater policy synergies and effectiveness in negotiations, (b) enhanced regional awareness and analytical capacity with regard to trade and poverty-related issues; (c) human development and trade links assessed and fed into policy-making and trade negotiation processes; and (d) strengthened regional media coverage and increased public advocacy on trade and human development issues.

30. **Partnerships and development cooperation:** Strategic partnerships will be established with AsDB, ESCAP, the United Nations Conference on Trade and Development (UNCTAD), the World Trade Organization (WTO), civil society groups, international foundations, academia and economic policy and research institutions. Linkages will also be sought with regional trade organizations such as Asia Pacific Economic Cooperation (APEC), the Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation (BIMSTEC), and the South Pacific Free Trade Area (FTA). The programmes will achieve synergy with UNDP global programmes such as the globalization, liberalization and SHD programme and the global trade and SHD report. Cross-regional programme synergies will also be captured through gender equality and trade, trade and HIV/AIDS and regional human development reports (HDRs) and trade, among others.

31. **Macro Policies for poverty reduction:** Macro-economic policies have typically been used as instruments to stabilize and adjust economies. The preoccupation with fiscal deficits implies that poverty-related expenditures and targeted policies often receive secondary priority in the development policy hierarchy. In the context of an increasingly integrated economic world, which is prone to cycles of crises and dislocations, the linking of explicit macro-policies, both economic and social, to poverty and vulnerability reduction is even more critical. Expected aggregated results will include: (a) pro-poor macro- policies developed and advocated in national planning; (b) cross-country comparative analysis and regional aggregation of progress demonstrated

towards international development targets; (c) capacities to undertake human poverty assessments and monitoring strengthened in the region; and (d) empirical assessments of the links between macro-policies and poverty-reduction strategies.

32. **Partnerships and development cooperation:** Expected outcomes in this thematic area will be facilitated through strategic partnerships with the following: AsDB, Department for International Development (DFID), ESCAP, the World Bank, policy and academic institutes and civil society organizations. The programme responds directly to the Millennium Declaration and will link with the UNDP global poverty reports. Cross-regional programme linkages will also be cemented with regional HDRs, HIV/AIDS, gender equality, and urban and local governance.

CROSS-CUTTING ISSUES

33. **Gender & Development:** In addition to the expected results to be outlined within the gender equality programme (APGEN), specific gender considerations will be integrated as much as possible into all RCF programmes. Examples of such integrated gender issues include: HIV and gender with regard to the impact of the epidemic and its stigma for women; women's access to ICT applications for development; trade and gender to assess wage differentials and informal sector work; women's roles in water resource management in the Mekong, Tumen and Himalayan regions; and women's rights for development in government processes.

34. **ICT for development:** Regional programme support for policy development and dialogue with respect to ICT tools and practices will centre on issues such as e-strategy preparation; policy formulation with respect to the right to information; supporting legislation and regulation to create an enabling environment for ICT for development; encouraging public-private sector partnerships for all areas of ICT, including leveraging resources for infrastructure development through other partners. Policy support will aim at empowering national and regional leadership in ICT governance and strengthening ICT institutions, articulating a cohesive vision of a knowledge society and elaborating concrete action plans to reap the benefits of ICT for balanced and equitable economic development in the region. The above would be facilitated and implemented primarily through the Asia Pacific Development Information Programme (APDIP), which builds on activities from the first RCF. In addition to stand-alone activities through APDIP, ICT policy applications and support will be integrated as required into all regional programmes.

35. **Crisis prevention and development:** Poverty and conflict are often inextricably tied together and create their own vicious cycle of despair and deprivation. In conventional approaches to development, however, there is a tendency to view crises as exceptional events rather than as being integrally linked. Crisis prevention and recovery, which represent one of six UNDP priority areas of support, focus on a strategy that addresses the medium and longer-term dimensions of crisis management and prevention within the context of SHD, with a view to anticipating rather than reacting to emerging tensions and conflicts. This includes, very centrally, efforts at natural disaster mitigation and recovery. Good governance, gender equality, human rights, poverty reduction, equitable economic growth and environmental management are therefore in essence prerequisites for addressing the issues of peace and development. Development often acts as a preventive mitigating vehicle for crisis avoidance and resolution. Through its programmes in the areas of governance, environment, gender, HIV/AIDS and others, UNDP is well positioned regionally to collate cross-country experiences and lessons learned in given crisis prevention, peace and development efforts in the region.

V. MANAGEMENT ARRANGEMENTS

A. EXECUTION AND IMPLEMENTATION

36. Implementation changes instituted under the previous RCF with respect to greater decentralization of management responsibilities have resulted in significantly improved oversight and coordination. Primary management responsibility for day-to-day supervision and monitoring of programmes in the second RCF will continue to rest with Principal Project Representatives (PPRs). The number of country offices performing PPR functions will increase, with approximately 15 countries expected to host regional projects in the next programming period. PPRs are expected specifically to address

gaps in ownership, including mapping of CCFs with the RCF, and ensuring greater integration of the RCF into UNDP-supported national initiatives as well as those of the United Nations system as a whole.

37. A mixture of management modalities will be encouraged to address greater efficiencies, increase accountability, and improve the use of regional resources. This will include continued relationships with the United Nations Office for Project Services (UNOPS), the hosting of regional programmes by regional institutions, and use of direct execution and national execution, supported by select UNDP country offices with proven capacities in managing regional projects. Where strong intergovernmental arrangements exist, (e.g. ASEAN, ESCAP, MRC), programmes will continue to be executed through such arrangements.

B. MONITORING, REVIEW AND REPORTING

38. Results-based management is an essential corporate feature of UNDP, which has now been duly incorporated into regional programmes as well. The regional programme SRF and ROAR are derived from workplans of regional initiatives. The second RCF and its associated programmes have accordingly been designed in the context of the ROAR 2000, and the SRF 2001-2003, which outlines expected outcomes, outputs and related annual indicators for the period. Individual programme workplans will therefore be consistent with the corporate results-based management reporting format and procedures.

39. Monitoring and reporting will also benefit from the greater emphasis placed on beneficiary and stakeholder participation in these processes. Annual partner meetings will review progress of individual programmes in accordance with UNDP programme procedures and a mid-term review of the RCF, conducted under the guidance of the Evaluation Office, will be submitted to the Executive Board in 2004. In this cycle, the mid-term review will be of UNDP. A greater number of regional programmes are also internalizing partnerships with the media, advocacy strategies, and links with regional events, as well as establishing web sites and other information-sharing tools. SURFs in the region will also serve as a long-term electronic depository of information on RCF programmes, along with regional programme reports and publications across thematic areas. The SURFs have been an integral part of the RCF formulation exercise, providing policy support, lessons learned and knowledge from the region. Regional programmes are now linked to the SURF knowledge networks and expertise services. The SURFs will continue to partner with regional programmes and support these services in the implementation of the RCF.

40. With respect to participation, ownership and oversight, an important addition is the establishment of a two-tier system of strategic guidance. The first involves advisory groups for the major regional programmes in the RCF, which will constitute a small group of country offices selected, or a mix of country office and external partners, based on the interest shown by national stakeholders and their involvement in a specific programme. An advisory group, chaired by the PPR, would be involved in key decision-making on programme direction, profile and results. For the most part, this would be facilitated electronically. The country offices will bring national government and non-government perspectives to this process, relaying the commitment shown by national partners to the specific regional initiative. The second tier convenes a group of regional experts in the cross-cutting thematic areas in order to guide and assess the integration of these concerns across RCF programmes, as needed.

C. RESOURCE MOBILIZATION AND DISTRIBUTION

41. The core resource expenditures for the second RCF are expected to be approximately $14.2 million per year, for a total of $71 million. In view of financial constraints on core resources, greater efforts will be undertaken to mobilize non-core resources. Programme-specific strategies to help to facilitate the mobilization of non-core resources are being integrated into programme design and implementation.

42. In order to provide adequate support to the regional cooperation efforts that address the given regional development challenges of the second RCF, total financial resources of $130 million are required. Based on an estimated assignment of core resources of $71 million for the five-year period, non-core funds of $59 million will have to be mobilized in order to meet these objectives.

43. The projected financial resources allocation for each programme area is as follows: (a) democratic governance for human development - an estimated 36 per cent of core resources of the RCF will be allocated to this programme area, comprising about $26 million - additional non-core funding of $8 million will be sought; (b) environmental sustainability - an estimated 28 per cent of core resources of the RCF will be allocated to this programme area, comprising $20 million - additional non-core funding of $44 million will be sought; and (c) globalization and macro policy - an estimated 36 per cent of core resources of the RCF will be allocated to this programme area, comprising approximately $26 million - additional non-core funding of $7 million will be sought.

44. In addition, key elements of a non-core resource mobilization strategy include: (a) core resources used as seed money to leverage non-core resources, (e.g., in the design and development of GEF programmes); (b) theme-focused cost-sharing with bilateral donors who support regional initiatives in select programme areas. This will include multi-country poverty assessments and analysis (Norway); Pacific sustainable livelihoods (Australia, New Zealand); Pacific governance reform (Australia, New Zealand, the United Kingdom), environmental sustainability (Japan); (c) corporate sector joint initiatives further developed in ICT for development as currently under way with CISCO Systems and the Coca-Cola Export Corporation; (d) partnerships with foundations with common programmes in the area of trade and globalization (Ford Foundation and Rockefeller Brothers Fund); (e) special trust funds for specific subregional programmes such as the Tumen River Area Development Trust Fund; (f) operationalizing the memorandum of understanding and action plan recently approved with AsDB (May 2001) to facilitate cost-sharing and co-financing of regional programmes in the areas of environment, governance and ICT; (g) a renewed partnership arrangement with ESCAP in the areas of sustainable development, poverty monitoring and analysis; and (h) utilization of the regional windows of the UNDP thematic trust funds in common areas for coordinated global-regional-national work.

45. Some funding provision may be made for outposted policy specialists/SURFs in the region, in 2003 in accordance with the second GCF.

46. As recommended by the audit of global and inter- regional programmes carried out by the Office of Audit and Performance Review (OAPR) in April- May 2000 and supported by the Operations Group, funds of $1 million or 3 per cent of the core RCF resources, whichever is larger, may be allocated by the Director of the Regional Bureau to cover costs relating to RCF and regional programme formulation, advocacy, monitoring and implementation. This will also include the technical advisory groups and resource mobilization efforts for the second RCF, as detailed above.

Annex

Resource mobilization target table for Asia and the Pacific (2002-2006)

Source	*Amount (In thousands of United States dollars)*	*Comments*
UNDP regular resources		
Estimated carry-over	12 303	
TRAC line 1.2	55 376	
SPPD/STS	3 503	
Subtotal	**71 182**	
UNDP other resources		
Government cost-sharing	375	
Third party cost-sharing	15 000	
Funds, trust funds and other	44 000	
Subtotal	**59 375**	
Grand total	**130 557**	

Abbreviations: SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core.